Generalized trust, the belief that “most people can be trusted,” is all about having faith in people who are different from yourself. Of course, we trust people like ourselves – especially people we know well. Such trust reflects our experiences, either directly or indirectly (through perceptions of group traits or stereotypes). Believing that “most people can be trusted” is a leap of faith, a moral decision that we ought to trust others.

Generalized trust matters because it helps connect us to people who are different from ourselves. Trusters are tolerant of immigrants and minorities and support equal rights for women and gays. They believe in a common core of values and hold that ethnic politicians should not represent only their own kind. People who trust others are more likely to give to charity and volunteer their time, especially for secular causes that help people unlike themselves. Trusting societies have more effective governments, higher growth rates, less corruption and crime, and are more likely to redistribute resources from the rich to the poor.
If you believe that “most people can be trusted,” you are more likely to hold that people of different backgrounds share the same fate. This leads to a more inclusive identity encompassing diverse groups in a society rather than seeing ourselves as members of different ethnic and racial groups—and to expect our leaders to represent all of us rather than just their “tribes.” Trusters are more willing to admit immigrants to their countries—and are less worried that immigrants will take their jobs. This sense of unity of identity underlies the provision of universal social welfare benefits, where all are entitled to receive benefits such as education from the state simply because they are members of a political and social community.
If trust means faith in people who are unlike ourselves, it is discomfiting to find that a diverse environment leads to less trust, as Robert Putnam and others have argued. Diversity has been linked to many positive outcomes, from increased wages and higher prices for rental housing, greater profits and market share for firms that have more diverse work forces, and greater problem-solving capacities.
Robert Putnam, in a now famous article “E Pluribus Unum” in *Scandinavian Political Studies* (2007) worries that increasing ethnic diversity through immigration leads to lower levels of social capital:

- Ethnic diversity is increasing in most advanced countries, driven mostly by sharp increases in immigration. In the long run immigration and diversity are likely to have important cultural, economic, fiscal, and developmental benefits. In the short run, however, immigration and ethnic diversity tend to reduce social solidarity and social capital. New evidence from the US suggests that in ethnically diverse neighbourhoods residents of all races tend to ‘hunker down’. Trust (even of one’s own race) is lower, altruism and community cooperation rarer, friends fewer. In the long run, however, successful immigrant societies have overcome such fragmentation by creating new, cross-cutting forms of social solidarity and more encompassing identities.... Diversity seems to trigger not in-group/out-group division, but anomie or social isolation.
Isolation and Trust

- Diversity is not the reason why people become less trusting.
- Trust is lower when we *don’t know people who are different from ourselves and have stereotypes about them*. So isolation is the problem.
- Isolation doesn’t stem so much from diversity as from segregation and lack of contact. Trust will develop if you have friends of different backgrounds. But simple friendship...
Isolation doesn’t stem so much from diversity as from segregation and lack of contact. If you have friends of different backgrounds, you will become more tolerant. This is the basis of “contact theory.” Contact reduces risk.

But simple friendship is not sufficient to develop trust. Contact, Allport held, must be accompanied by “equal group status within the situation, common goals; intergroup cooperation; and the support of authorities, law, or custom.” These are rather demanding conditions. Simply knowing someone of a different background, even having them as a casual friend, is not sufficient to shape more fundamental beliefs such as trust (or tolerance).
Allport and Pettigrew argue that close friendships also depend upon context: You must have friends of different backgrounds and live in an integrated neighborhood.

Segregation leads to isolation—which in turn creates a sense of mistrust and a belief that interaction with people of different backgrounds is risky.
Virtually every large city in Western societies has seen an influx of immigrants, often from countries with different cultures. The concerns about diversity lead us to ask whether immigrants constitute a threat to social relations in the host country. Does immigration threaten social cohesion? More critically, might immigrants even constitute a redefinition of national identity.
The concerns about diversity lead us to ask whether immigrants constitute a threat to social relations in the host country. Does immigration threaten social cohesion?

The British government commissioned several studies about whether multiculturalism meant the "decline of Britishness."

I argue that residential segregation, and not diversity, is the culprit in declining trust and altruism.
When people of different backgrounds live apart from each other, they will not—indeed, cannot—develop the sorts of ties—or the sorts of attitudes—that leads us to trust people who are different from ourselves.

Concentrated minorities are more likely to develop a strong identity that supercedes a national sense of identification (trust in people who are different from oneself) and to build local institutions and political bodies that enhance this sense of separateness. Geographical isolation may breed in-group identity at the expense of the larger society. Segregation may also lead to greater political organization by minority groups, which can establish their own power bases in opposition to the political organizations dominated by the majority group as their share of the citizenry grows.
I find, using data from the United States, the United Kingdom, Canada, Sweden, and Australia that there is no evidence that having a friend of an opposite race makes a person more trusting in general.
Segregation also leads to greater inequality—and inequality is the strongest determinant of trust—over time in the United States, across the American states, and across nations without a legacy of communism. Bowles, Loury, and Sethi (2009, 11) argue that “...when segregation is sufficiently great, group equality cannot be attained even asymptotically, no matter what the initial conditions may be.”

There is substantial evidence that segregation is strongly tied to worse outcomes for minorities on a wide variety of measures including educational attainment and job prospects—and that segregated neighborhoods have more crime and weak infrastructures.
Diversity and Segregation

- Fractionalization measures such as those used by Putnam and others cannot distinguish between simple population diversity and residential segregation. A city/state/nation/neighborhood with a highly diverse population—and thus a high fractionalization index—may be marked by either high or low residential segregation.

- Figures 1 and 2 present alternative scenarios on residential segregation. They represent hypothetical neighborhoods of blue and red ethnicities. Each neighborhood has equal shares of blue and red residents. In Figure 1, the two ethnic groups live apart from each other, divided by a highway, so there is less of an opportunity to interact. In Figure 2, the neighborhood is mixed. Each blue (red) resident has at least one red (blue) neighbor. Yet the fractionalization indices are identical.
Figure 1: High Segregation, High Fractionalization
Figure 2: Low Segregation, High Fractionalization
Diversity and segregation are not the same thing. Across 325 communities in the U.S., the simple correlation for the two measures in 2000 is just .297 (and .231 for 1990 and .270 for 1980).

Across nations, the US has by far the highest level of segregation. The least segregation is found in Sweden and Australia, with the UK and Canada in between.

In the US African-Americans are the most segregated, followed by whites.
There is less segregation in Britain, but that does not mean that whites and non-whites live next to each other. Almost 80 percent of whites estimate that more than half (or even all) people within walking distance of them are from the same ethnic group as they are.

Most non-whites, including people of African and East Asia heritage—and most Muslims say that less than half of the population within walking distance are from different groups. Yet, this is not a simple picture of a fully integrated society. Almost 60 percent of whites believe that the ward they live in is less than half minority. Almost 90 percent of East Asians, Africans, and Muslims say that their wards are 80 percent or more minority—and 70 percent of each say that 90 percent of their immediate neighbors are from minority groups.
The US-UK comparison is interesting. First, the two countries share a common culture and their majority (white) populations now have roughly similar levels of trust: 43 percent for the UK in the Citizenship survey and 39 percent for the United States in the 2008 General Social Survey. Yet, minorities occupy a far more prominent place in the United States than in the United Kingdom. Minorities constitute about nine percent of the British population and 30 percent in the United States.

African-Americans in major cities often face “hyper-segregation,” extreme isolation. There is nothing like this for British minorities.
The Study

- I examine the linkage between trust and integrated communities with diverse friendship networks in five countries: the United States, Canada, the United Kingdom, Australia, and Sweden.

- The United States has a long history of racial divisions—with persistent segregation for African-Americans. One can’t study segregation without considering the United States. None of the other four countries has high levels of segregation. However, the English-speaking countries all have histories of racial or ethnic (or both) tensions. Lack of segregation does not automatically mean that minorities are strongly integrated into white society. In Canada and the U.K., minorities have lower levels of trust than do whites; they also say that they face discrimination. So the question of whether integrated neighborhoods with diverse friendship networks can lead to more trust is hardly moot. In Sweden and Australia, minorities do report discrimination but have relatively high levels of trust—far closer to the majority white populations than in the other nations.
Sweden, Canada, and Australia are distinctive in two ways. They have high levels of trust. (Australia is a recent “addition” to the small core of high trust countries.) They also have low levels of inequality. Segregation is not strongly correlated with inequality, as it is in the United States and to a lesser extent to the United Kingdom. The United States has the lowest level of trust, though the U.K.’s share of trusting citizens is only modestly higher. Both countries have higher levels of inequality (the U.S. by a lot) than the other countries.

The United States stands out on another dimension. American culture emphasizes assimilation, rather than division. The U.K. emphasizes multiculturalism—the idea that minorities should retain and celebrate their separate identities. The idea of multiculturalism began in Canada, ironically as part of an effort to define a national identity. It spread to other Western nations—including Sweden and Australia. Both now pay homage to multiculturalism, but have largely abandoned it in favor of a more assimilationist model. The high levels of trust among minorities reflect both the sense of belonging—as well as the higher socioeconomic status of minorities in these countries, in part shaped by who can immigrate (Australia) and by a strong welfare state (Sweden).
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- Having diverse social networks in integrated communities really does matter. Looking at integrated communities that are very diverse does not reduce the linkage between:
  - Diverse social networks in integrated communities – higher social trust.
  - This relationship holds not only for the US but also for the United Kingdom for all groups, for whites in Canada and Australia, and for minorities in Sweden.
In the US living in integrated and diverse neighborhoods and having friends of different backgrounds leads to higher levels of trust for both whites and African-Americans. The boosts in trust are almost 30%.

In the UK, the interaction between the number of close friends and the level of integration in one’s environment is always significant— for every group. The effects are similar for most groups but matter most for East Asians for whom a diverse set of friends in an integrated environment matters most. The boosts in trust are about 5-10%.
The effects in Australia and Canada are similar to those for the UK but much lower than in the US. Majority respondents are 10% more likely to be trusting if they live in integrated neighborhoods and often visit friends of different ethnic backgrounds. The effect is half as large for minorities in Australia. Such ties generally don’t build trust among immigrants in Canada.
In Sweden, the effects are considerably greater for people who don’t identify as Swedes (almost all minorities) than for the people who do identify as Swedes. – an insignificant drop in trust for the former and a boost of 10% for the latter (estimates for the more diverse cities with fewer than 90% native Swedes). The majority population is already highly trusting, but members have fewer friends of different ethnicities.
Diverse social networks in integrated communities also leads to more volunteering for secular causes in the US and the UK.

When people live in integrated neighborhoods and have contact with people of different groups, they are more likely to give time and money to secular causes and also to give to religious causes. This effect is particularly powerful for mainline Protestants.
Multiculturalism, Segregation, and Trust

- Many governments have tried to integrate immigrants by a policy of multiculturalism.
- But multiculturalism fosters social segregation even in the absence of residential segregation. It reinforces in-group identity.
- A dual identity with the host country and your country of origin generally leads to a lower sense of belonging to the new country and to less trust in people who are different from yourself.
Data from the United States and Canada suggest that groups with the strongest sense of ethnic identity (largely blacks, Hispanics, Quebecois) have the lowest levels of trust. This persists even into second generation immigrants.

Multiculturalism works against a common identity—though this is not always easy to establish.
Disagree: Ethnic Groups Get Aid to Preserve Identity

$\text{ISSP 2003}$

$r^2 = 0.561$  $N = 34$
Stronger In-Group Identity Leads to Less Trust among American Ethnic Groups (General Social Survey)

Trust by Ethnic Identity Very Important
By Ethnic Background U.S. General Social Survey

$r^2 = .824$  $N = 16$
Stronger In-Group Identity Leads to Less Trust among Canadian Ethnic Groups (Ethnic Diversity Survey)
Quebecois are Missing! They are Less Trusting than Predicted (other work in progress).

Trust by Ethnic Identity Very Important
By Ethnic Background Ethnic Diversity Survey Canada 2002

r² = .742  N = 19  Chinese and Portugese ethnicity excluded
From the 2007 UK Citizenship Survey, people of every background whose primary sense of identity is their interests and level of education are the most trusting.

People whose identity is primarily based upon their ethnic heritage, their ancestry, and (especially) where they live are the least trusting. This relationship is pronounced among minority groups.
Trust by Source of Identity
UK Citizenship Survey 2007 by Ethnicity

- **All Respondents**
- **Whites**
- **Non-Whites**
- **Africans**
- **East Asians**
- **Muslims**

Graphs showing trust by source of identity for different ethnic groups, with categories including trust, interests, occupation, education, income, gender, age, family, religion, ancestry, ethnicity/race, and national identity.
How Immigrants Become High Trusting

- Asian immigrants in Canada and Australia have high levels of trust. But in neither country does living in integrated neighborhoods with diverse social ties increase trust for these groups.

- Why? Both Canada and Australia have very restrictive immigration policies. Immigrants have higher levels of education than do native born citizens. They come to their new homes with the backgrounds of high trusters.
• Immigrants to Sweden are also high trusting. But they are largely refugees from countries at war. They do not have the traits of high trusters when they arrive.

• Why are they trusting? First, living in integrated neighborhoods with diverse social ties does lead to greater trust. Second, approval of the universal welfare state also leads immigrants to higher trust (it does not in Canada).

• Ultimately, the link between segregation and trust rests upon the ties among segregation, inequality, and trust.
How do we get integrated neighborhoods? The US seems to have the most segregated communities in the West. And the most segregated minorities are African-Americans, not recent immigrants. Segregation is markedly lower in the UK and in Sweden, although it is increasing in Sweden.

Both the UK and Sweden have government policies designed to foster integrated neighborhoods. But policies alone are not sufficient.
Nevertheless, in both the UK and Sweden, there is substantial evidence that immigrant groups move out of highly segregated neighborhoods after relatively short periods of time. In Sweden, different immigrant groups live together in neighborhoods, even if segregated by whites.
Both the UK and Sweden have government policies designed to foster integrated neighborhoods. But policies alone are not sufficient. In the US there are stronger laws against housing discrimination now.

Segregation to a great extent is caused by the reluctance of whites to live among minority groups. Whites who prefer almost all-white neighborhoods are also less trusting. People who don’t trust each other won’t move into integrated neighborhoods in the first place. When neighborhoods are more than 30% minority, whites in the US find them “too risky.”
So it may not be so easy to “create” trust by integrating neighborhoods if you need trust to get integrated neighborhoods in the first place.

The benefits of more trust become much smaller, even non-existent, when I “control” statistically for who chooses to live in integrated neighborhoods.
In both the UK and Sweden, there is substantial evidence that immigrant groups move out of highly segregated neighborhoods after relatively short periods of time. In Sweden, different immigrant groups live together in neighborhoods, even if segregated by whites.

Even if the impact of integrated neighborhoods on trust is limited, there may be real gains to be made especially if young people interact with people of different backgrounds.
• Young people are most likely to become more trusting when they have friends of different backgrounds.

• In the US while overall segregation has declined over the past several decades, school segregation has increased.

• To build greater trust, we need to find ways for young people to interact with others of different backgrounds. This may be a fundamental challenge to a diverse society.